

AMENDED IN SENATE MAY 1, 2012
AMENDED IN SENATE APRIL 9, 2012

SENATE BILL

No. 1537

Introduced by Senator Kehoe

February 24, 2012

An act to ~~amend Section 2827~~ *add and repeal Section 2827.2* of the Public Utilities Code, relating to energy.

LEGISLATIVE COUNSEL'S DIGEST

SB 1537, as amended, Kehoe. Energy: rates: net energy metering.

Under existing law, the Public Utilities Commission has regulatory authority over public utilities, including electrical corporations, as defined, while local publicly owned electric utilities, as defined, are under the direction of their governing board. Existing law, relative to private energy producers, requires every electric utility, as defined, to develop a standard contract or tariff providing for net energy metering, as defined, and to make this contract or tariff available to eligible customer generators, as defined, upon request for generation by a renewable electrical generation facility, as defined. An electric utility, upon request, is required to make the contract or tariff for net energy metering available to eligible customer-generators on a first-come-first-served basis until the time that the total rated generating capacity used by eligible customer-generators exceeds 5% of the electric utility's aggregate customer peak demand. With one exception, existing law requires that each net energy metering contract or tariff be identical with respect to rate structure, all retail rate components, and any monthly charges, to the contract or tariff to which the same customer would be assigned if the customer did not use a renewable electrical generation facility, except that eligible customer-generators shall not be assessed

standby charges on the electrical generating capacity or the kilowatthour production of a renewable electrical generation facility.

~~This bill would prohibit an electric utility, on a percentage basis, from increasing rates and charges for eligible customer-generators by an amount that is greater than those applied to customers in the same rate class that are not eligible customer-generators and require that an electric utility's rate design be consistent with the policy of the state to ensure ongoing, sustainable, and robust growth of distributed customer-generation the commission from adopting any new demand charge, standby charge, customer charge, minimum monthly charge, interconnection charge, or other fixed charge that applies only to customers receiving electric service pursuant to a net energy metering contract or tariff.~~

Vote: majority. Appropriation: no. Fiscal committee: yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

- 1 SECTION 1. Section 2827.2 is added to the Public Utilities
- 2 Code, to read:
- 3 2827.2. (a) The commission shall not adopt any new demand
- 4 charge, standby charge, customer charge, minimum monthly
- 5 charge, interconnection charge, or other fixed charge that applies
- 6 only to customers receiving electric service pursuant to a net
- 7 energy metering contract or tariff authorized by Section 2827.
- 8 (b) This section shall remain in effect only until January 1, 2014,
- 9 and as of that date is repealed, unless a later enacted statute, that
- 10 is enacted before January 1, 2014, deletes or extends that date.

**All matter omitted in this version of the bill
appears in the bill as amended in the
Senate, April 9, 2012. (JR11)**